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IF YOU ARE DENIED CREDIT

What should I do if I have been denied credit?

Whenever you are denied credit, the company or person that denied you credit must provide the name and address of the Consumer Reporting Agency (CRA) that provided your credit report. Contact the CRA as soon as possible because if request a copy of your report within 60 days of being denied credit, the CRA must give you a free copy of your credit report. Once you have your credit report, carefully check all the information to be sure there are no mistakes. Contact the lender who denied you credit to find out if there is anything you can do anything to meet their credit requirements.

What if the information on the report is wrong?

Contact both the CRA and the company who reported the incorrect information to the CRA. Put your dispute in writing to the CRA and the reporting company. The company that made the report must investigate your dispute. If this does not resolve the issue, request that the CRA put a notice in your report that you dispute the information.

How long can negative information remain in my credit report?

Negative information can remain in your credit report for seven years. Bankruptcy information can remain for ten years, and information about a lawsuit or unpaid judgment can be reported for seven years or until the statute of limitations runs out.

What are offers for “credit repair”?

Advertisements that suggest that a business can “repair” your bad credit, or give you a “new” credit history are false and often involve some sort of criminal activity. Don’t fall for their false claims which will only result in you paying fees for nothing.

What is “credit counseling”?

Credit counseling, from a legitimate non-profit agency, may be a great way to get out of debt and learn financial management skills. Be sure you are dealing with a legitimate non-profit agency but since these agencies are often funded by creditor groups such as banks and credit card companies, make sure the agency is as interested in helping you with your financial problems as they are in making sure you pay your creditors. The National Foundation for Consumer Credit Counseling (1-800-388-2227) will provide you with the information for the nearest agency. If you have a question about the legitimacy of a particular agency, you can call the Consumer Protection Unit within Delaware at: 1-800-220-5424 or 302-577-8600.

What should I do if there is a charge on my credit card that I did not authorize?

Put your dispute in writing to the credit card company within 60 days after the first bill you receive indicating the amount in dispute. Be specific about the matter you are disputing, such as dates, places and amounts. Send your dispute to the address provided on the bill for disputes– **do not** send the dispute letter with your bill. The card issuer must

acknowledge your dispute, in writing, within 30 days and the investigation must be conducted within 90 days. If you do not agree with the decision, you can file a complaint with the Office of the Comptroller of Currency at 800-613-6743 if the bank is federally regulated. Call the Delaware State Banking Commissioner at 800-464-4357 if the bank is state regulated or if you do not know if the bank is federally or state regulated.

Are there rules and regulations concerning debt collectors?

The Fair Debt Collection Practices Act applies to companies and people who collect debts owed to creditors for personal and family debts, including medical bills, car loans, credit card debt and mortgages. According to the Fair Debt Collection Practices Act, a debt collector may not:

- Call you before 8 a.m. or after 9 p.m., unless you agree
- Call you at work if you have asked them not to do so
- Call you after you write a letter advising them not to call you anymore
- Call your friends, family or employer, except in an attempt to locate you
- Threaten or harass you by making repeated calls, using profanity or make any false statement such as you will “be arrested because of the debt.”

What steps should I take to dispute a debt owed to a collection agency?

If you do not owe the debt, contact the creditor who reported the debt to the collection agency. Send a letter within 5 days after you are first contacted by the debt collector to both the debt collector and the creditor. In your letter tell the debt collector to stop all contact with you. If you owe the debt, contact your creditor and ask for a payment plan.